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In the Supreme Court of the United States

OCTOBER TERM, 1954

No. 431

FLORENCE B. MOSES, PETITIONER

v.

COMMISSIONER OF INTERNAL REVENUE

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR THE RESPONDENT IN OPPOSITION

OPINIONS BELOW

The findings of fact and opinion of the Tax Court (Pet. 18-25) are reported at 18 T. C. 1020. The opinion of the Court of Appeals (Pet. 27-29) is reported at 214 F. 2d 912.

JURISDICTION

The judgment of the Court of Appeals was entered on August 11, 1954. (Pet. 30-31.) The petition for a writ of certiorari was filed on October 30,

1954. The jurisdiction of this Court is invoked under 28 U. S. C., Sec. 1254.

QUESTION PRESENTED

Whether the written settlement executed by the taxpayer and her husband at the time of their voluntary separation became, at a subsequent date when the husband obtained a divorce, a "written instrument incident to such divorce," with the result that post-divorce payments made under the agreement were includible in the taxpayer's gross income pursuant to Section 22(k) of the Internal Revenue Code of 1939.

STATUTE AND REGULATIONS INVOLVED

The pertinent provisions of Sections 22 and 23, Internal Revenue Code of 1939, and Section 29.22 (k)-1, Treasury Regulations 111, are set forth in the Appendix, *infra,* pp. 10-16.

STATEMENT

The facts as found by the Tax Court (Pet. 18-21) may be summarized as follows:

Florence B. Moses, the taxpayer, resides in Brooklyn, New York. She and her former husband, Albert Moses, now deceased, were married in the State of New York on June 29, 1919. They lived together until October 12, 1943, when Albert Moses left the taxpayer. On November 16, 1943, the taxpayer instituted an action for a legal separation in the Supreme Court of New York for the County of Kings. Her husband appeared by attorney and

filed an answer. Following the granting of a motion by the taxpayer for alimony *pendente lite* and counsel fees, the separation action came on for trial on March 8, 1944. (Pet. 18.)

The proceedings were suspended while negotiations looking toward a voluntary separation agreement were carried on. During the discussions which followed, the taxpayer made it plain that she would neither seek a divorce herself nor consent to a divorce. The parties agreed, however, that they would work out a voluntary separation agreement, and trial of the separation action was accordingly adjourned. (Pet. 19.)

During the period of adjournment, the taxpayer was advised by her attorney that, if a decree and award of alimony were obtained, failure of the husband to make alimony payments could be punished by contempt proceedings, but that all alimony payments would be taxable to her. She was also advised that if she entered into a voluntary separation agreement outside of court, the payments for support under the agreement could not be enforced through contempt proceedings, but that payments made pursuant to the agreement would not be taxable to her. The taxpayer chose the latter course; a voluntary separation agreement was executed on April 4, 1944; and the separation action was discontinued. (Pet. 19.)

The separation agreement provided, *inter alia*, that the parties were to live apart for the rest of their lives, unmolested by the other, and free to seek and engage in any employment that he or she

deemed advisable. Taxpayer's husband was to pay her, so long as he was alive, $346.66 per month for her support and maintenance, such payments to continue until her death or remarriage. In the event that the taxpayer remarried during the lifetime of her husband, she was obligated to reassign certain insurance policies therein described to her husband. (Pet. 19-20.) It was also provided (Pet. 20) that—

> 21. The provisions of this agreement, to the extent that they may be acceptable to the court, may be incorporated in the final judgment or decree obtained in any action hereafter brought by either party against the other for a divorce in any court of competent jurisdiction. Notwithstanding such incorporation, the provisions hereof shall not be merged in any such judgment or decree but shall, in all respects, survive the same.

On or about September 14, 1944, Albert Moses instituted a divorce proceeding in the Circuit Court of the Eleventh Judicial Circuit in and for Dade County, Florida. The taxpayer, in Brooklyn, New York, received a notification to appear in the suit. She was not personally served with the process and she did not appear personally or by attorney in the Florida proceedings. On October 23, 1944, a final decree of divorce, *a vinculo matrimonii*, was granted to Albert Moses by the Florida court. The decree did not make provision for alimony or support, nor

did it refer to or incorporate the separation agreement between the parties. (Pet. 20.)

In November and December 1944, i. e., subsequent to the divorce, Albert Moses continued to make payments to the taxpayer under their original agreement. (Pet. 21.) The issue is whether these payments ($693.32) are part of the taxpayer's gross income for 1944.

On the basis of the above facts, the Tax Court concluded that the agreement for voluntary separation was not incident to the divorce obtained by the taxpayer's husband on October 23, 1944. It accordingly held that the post-divorce payments made to the taxpayer under the terms of the agreement were not includible in her gross income. (Pet. 27-29.) For reasons which are discussed in the Argument, the Court of Appeals reversed.

ARGUMENT

Under the 1939 Code, a husband's payments to his wife, pursuant to an agreement of separation, are not taxable to her. The reverse is true (subject to certain exceptions not here pertinent) of payments imposed under a decree of divorce or separation or "under a written instrument incident" thereto. (Appendix, *infra*, pp. 10-12.)

Taxpayer's argument is that the written settlement here, having been executed in conjunction with a voluntary separation and after she had refused to consent to divorce, could not become at a later date, without any intervening, affirmative act

on her part, "a written instrument incident to * * * divorce" within the meaning of Section 22(k).

The Court of Appeals held—we believe correctly—that it is not crucial whether the settlement and divorce were "contemporaneously planned and carried out," and that the real question is whether the payments which are provided for in the instrument take the place of alimony. (Pet. 29.) Noting that the separation agreement in terms provided for survival of the support obligation in unchanged form in the event that either party subsequently obtained a decree of divorce and, furthermore, that the payments required by the settlement were "apparently a substitute for alimony which was satisfactory to the [taxpayer], since she did not appear in the divorce action and make any attempt to have them increased," the court concluded that "the nexus between the agreement and the divorce decree needed to make Section 22(k) applicable is present." (*Ibid.*)

The Court of Appeals also expressed the view, earlier stated by the same court in *Lerner* v. *Commissioner*, 195 F. 2d 296 (C. A. 2d), that the "term 'written instrument incident to such divorce' was designed * * * only to insure adequate proof of the existence of the obligation when divorce has occurred. * * *" (*Ibid.*) The legislative history of Section 22(k) confirms this conclusion. The basic purpose of the provision was to relieve the husband of the tax burden on amounts dispensed "in the nature of or in lieu of alimony" and to shift it to the "spouse actually receiving" the

money. H. Rep. No. 2333, 77th Cong., 2d Sess., pp. 46, 71-72 (1942-2 Cum. Bull. 372, 409, 427-428); S. Rep. No. 1631, 77th Cong., 2d Sess., pp. 83-84 (1942-2 Cum. Bull. 504, 568-569).[1] And Congress determined, as the statute plainly shows, that this result was to follow whether the obligation to pay support and maintenance was written into a judicial decree or whether it was fixed outside the courtroom by an effective agreement between the parties to the decree. It is idle to say that, because an agreement providing for the payment of support money to the wife was originally executed in immediate contemplation of a separation rather than a divorce, it is not an incident of a divorce subsequently obtained when it continues to be the measure of the divorced husband's obligation to the wife. The anomaly of the taxpayer's position is underscored by the fact that in the instant case the agreement itself explicitly provided that the obligation of support would continue to be measured by the original settlement in the event of a subsequent divorce obtained by either spouse.[2]

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[1] The reports also state (*ibid.*) an intention to "produce uniformity in the treatment of amounts paid in the nature of or in lieu of alimony regardless of variance in the laws of different States concerning the existence and continuance of an obligation to pay alimony."

[2] The petition stresses the facts (1) that taxpayer received legal advice that sums paid her under a separation agreement would not be taxable to her, and (2) that she opposed the idea of a divorce. To this the short answer is that taxpayer signed an agreement which in terms provided that the support obligation would continue in unchanged form in the event that either spouse obtained a divorce; that she subsequently chose to

All circuits which have passed upon the question are in agreement as to the test to be applied. See *Commissioner* v. *Miller,* 199 F. 2d 597 (C. A. 9th); *Feinberg* v. *Commissioner,* 198 F. 2d 260 (C. A. 3d). See also *Smith* v. *Commissioner,* 192 F. 2d 841 (C. A. 1st); *Stewart* v. *Rothensies,* 114 F. Supp. 497 (E. D. Pa.). In the *Feinberg* case, the material facts were substantially the same as those presented here. Holding that the post-divorce payments there involved were taxable to the wife, the Third Circuit expressed its complete agreement (as did the Ninth Circuit in the *Miller* case) with the decision in *Lerner* v. *Commissioner,* 195 F. 2d 296 (C. A. 2d). In *Lerner,* to which we have referred above, the Second Circuit had declared that "where the payments obviously take the place of alimony and otherwise satisfy the stringent requirements of I.R.C. § 22(k), although not formally incorporated into the decree, they should not be denied effect under the statute merely because there is no evidence that divorce and settlement were not contemporaneously planned and carried out." See also *Newton* v. *Pedrick,* 212 F. 2d 357 (C. A. 2d).

We wish to point out additionally that in the Internal Revenue Code of 1954 Congress has provided that support money paid to a wife pursuant

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stay out of the Florida divorce proceeding instituted by her husband; and that during the remaining years of her husband's life she made no attempt, so far as appears, to challenge the validity of that divorce or to reopen the question of support money. If she received incomplete or inadequate advice (which we do not assert to be the case), that certainly cannot serve to relieve her of the obligations created by the tax laws.

to a separation agreement executed after the effective date of the statute shall be taxable to her.[3] Prospectively, therefore, the issue presented by the instant case will not arise.

CONCLUSION

The decision below is correct, there is no conflict among the circuits, and no question of general importance warranting review by this Court is presented. The petition for a writ of certiorari should be denied.

Respectfully submitted,

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DUDLEY J. GODFREY, JR.,
Special Assistants to the Attorney General.

NOVEMBER, 1954.

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[3] Section 71(a)(2) of the Internal Revenue Code of 1954 provides:

(2) *Written separation agreement.*—If a wife is separated from her husband and there is a written separation agreement executed after the date of the enactment of this title, the wife's gross income includes periodic payments (whether or not made at regular intervals) received after such agreement is executed which are made under such agreement and because of the marital or family relationship (or which are attributable to property transferred, in trust or otherwise, under such agreement and because of such relationship). This paragraph shall not apply if the husband and wife make a single return jointly.

APPENDIX

Internal Revenue Code of 1939:

SEC. 22. GROSS INCOME.

* * * * *

(k) [As added by Section 120(a) of the Revenue Act of 1942, c. 619, 56 Stat. 798] *Alimony, Etc., Income.*—In the case of a wife who is divorced or legally separated from her husband under a decree of divorce or of separate maintenance, periodic payments (whether or not made at regular intervals) received subsequent to such decree in discharge of, or attributable to property transferred (in trust or otherwise) in discharge of, a legal obligation which, because of the marital or family relationship, is imposed upon or incurred by such husband under such decree or under a written instrument incident to such divorce or separation shall be includible in the gross income of such wife, and such amounts received as are attributable to property so transferred shall not be includible in the gross income of such husband. This subsection shall not apply to that part of any such periodic payment which the terms of the decree or written instrument fix, in terms of an amount of money or a portion of the payment, as a sum which is payable for the support of minor children of such husband. In case any such periodic payment is less than

the amount specified in the decree or written instrument, for the purpose of applying the preceding sentence, such payment, to the extent of such sum payable for such support, shall be considered a payment for such support. Installment payments discharging a part of an obligation the principal sum of which is, in terms of money or property, specified in the decree or instrument shall not be considered periodic payments for the purposes of this subsection; except that an installment payment shall be considered a periodic payment for the purposes of this subsection if such principal sum, by the terms of the decree or instrument, may be or is to be paid within a period ending more than 10 years from the date of such decree or instrument, but only to the extent that such installment payment for the taxable year of the wife (or if more than one such installment payment for such taxable year is received during such taxable year, the aggregate of such installment payments) does not exceed 10 per centum of such principal sum. For the purposes of the preceding sentence, the portion of a payment of the principal sum which is allocable to a period after the taxable year of the wife in which it is received shall be considered an installment payment for the taxable year in which it is received. (In cases where such periodic payments are attributable to property of an es-

tate or property held in trust, see section 171 (b).)

* * * * *

(26 U.S.C. 1952 ed., Sec. 22.)

SEC. 23. DEDUCTIONS FROM GROSS INCOME.

In computing net income there shall be allowed as deductions:

* * * * *

(u) [As added by Section 120(b) of the Revenue Act of 1942, *supra*] *Alimony, Etc., Payments.*—In the case of a husband described in section 22(k), amounts includible under section 22(k) in the gross income of his wife, payment of which is made within the husband's taxable year. If the amount of any such payment is, under section 22(k) or section 171, stated to be not includible in such husband's gross income, no deduction shall be allowed with respect to such payment under this subsection.

* * * * *

(26 U.S.C. 1952 ed., Sec. 23.)

Treasury Regulations 111, promulgated under the Internal Revenue Code:

Sec. 29.22(k)-1. *Alimony and Separate Maintenance Payments—Income to Former Wife.*—(a) *In general.*—Section 22(k) provides rules for treatment in certain cases of payments in the nature of or in lieu of ali-

mony or an allowance for support as between spouses who are divorced or legally separated under a court order or decree. For convenience, the payee spouse will hereafter in this section of the regulations be referred to as the "wife" and the spouse from whom she is divorced or legally separated as the "husband." See section 3797(a)(17).

In general, section 22(k) requires the inclusion in the gross income of the wife of periodic payments (whether or not made at regular intervals) received by her after the decree of divorce or of separate maintenance. Such periodic payments may be received from either of the two following sources:

(1) In discharge of a legal obligation which, because of the marital or family relationship, is imposed upon or incurred by the husband, or

(2) Attributable to property transferred (in trust or otherwise) in discharge of a legal obligation which, because of the marital or family relationship, is imposed upon or incurred by the husband.

The obligation of the husband must be imposed upon him or assumed by him (or made specific) under either of the following:

(1) A court order or decree divorcing or legally separating the husband and wife, or

(2) A written instrument incident to such divorce or legal separation.

The periodic payments received by the wife attributable to property so transferred and includible in her income are not to be included in the gross income of the husband. See also section 29.171-1 in cases where such periodic payments are attributable to property held in trust.

The purpose and effect of section 22(k) may be illustrated, in general, by the following examples, in which it is assumed that the husband and wife make their income tax returns on the calendar year basis:

Example (1). W sues H for divorce in 1942. The court awards W temporary alimony of $25 a week pending the final decree. On September 1, 1942, the court grants W a divorce and awards her $200 a month permanent alimony. No part of the $25 a week temporary alimony received prior to the decree is includible in W's income under section 22(k), but the $200 a month received during the balance of 1942 by W is includible in her income for 1942. Under section 23(u), H is entitled to deduct such $200 payments from his income.

Example (2). W files suit for divorce from H. In consideration of W's promise to relinquish all marital rights and not to make public H's financial affairs, H makes a legally binding promise in writing to W to pay to her $200 a month if a final decree of divorce is granted without any provision for alimony. Accord-

ingly, W does not request alimony and no provision for alimony is made under a final decree of divorce entered prior to 1942. During 1942, H pays W $200 a month, pursuant to the promise. The $2,400 thus received by W is includible in her gross income under the provisions of section 22(k). Under section 23(u), H is entitled to a deduction of $2,400 from his gross income.

Example (3). H and W enter into an antenuptial agreement, under which, in consideration of W's relinquishment of all marital rights (including dower) in H's property, and, in order to provide for W's support and household expenses, H promises to pay W $200 a month for her life. Ten years after their marriage, W sues H for divorce but does not ask for or obtain alimony because of the provision already made for her support in the antenuptial agreement. Likewise, the divorce decree is silent as to such agreement and H's obligation to support W. Section 22(k) does not apply to such a case. If, however, the decree were modified so as to refer to the antenuptial agreement, or if, at the time of the divorce, reference had been made to the antenuptial agreement in the court's decree or in a written instrument incident to the divorce, section 22(k) would require the inclusion of the payments received by W after the decree in her income for taxable years beginning after December 31, 1941. (As to including

such payments in the wife's income, if made by a trust created under the antenuptial agreement, regardless of whether referred to in the decree or a later instrument, see section 29.171-1.)

Section 22(k) applies only where the legal obligation being discharged arises out of the family or marital relationship in recognition of the general obligation to support, which is made specific by the instrument or decree. Thus, section 22(k) does not apply to that part of any periodic payment which is attributable to the repayment by the husband of, for example, a *bona fide* loan previously made to him by the wife, the satisfaction of which is specified in the divorce decree as a part of the general settlement between the husband and wife.

Periodic payments are includible in the wife's income under section 22(k) only for the taxable year in which received by her. As to such amounts, the wife is to be treated as if she makes her income tax returns on the cash receipts and disbursements basis, regardless of whether she normally makes such returns on the accrual basis. * * *

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No. 431

FILED
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HAROLD B. WILLEY, CL

IN THE

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OCTOBER TERM, 1954

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COMMISSIONER OF INTERNAL REVENUE,
Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

PETITIONER'S REPLY BRIEF IN SUPPORT OF PETITION

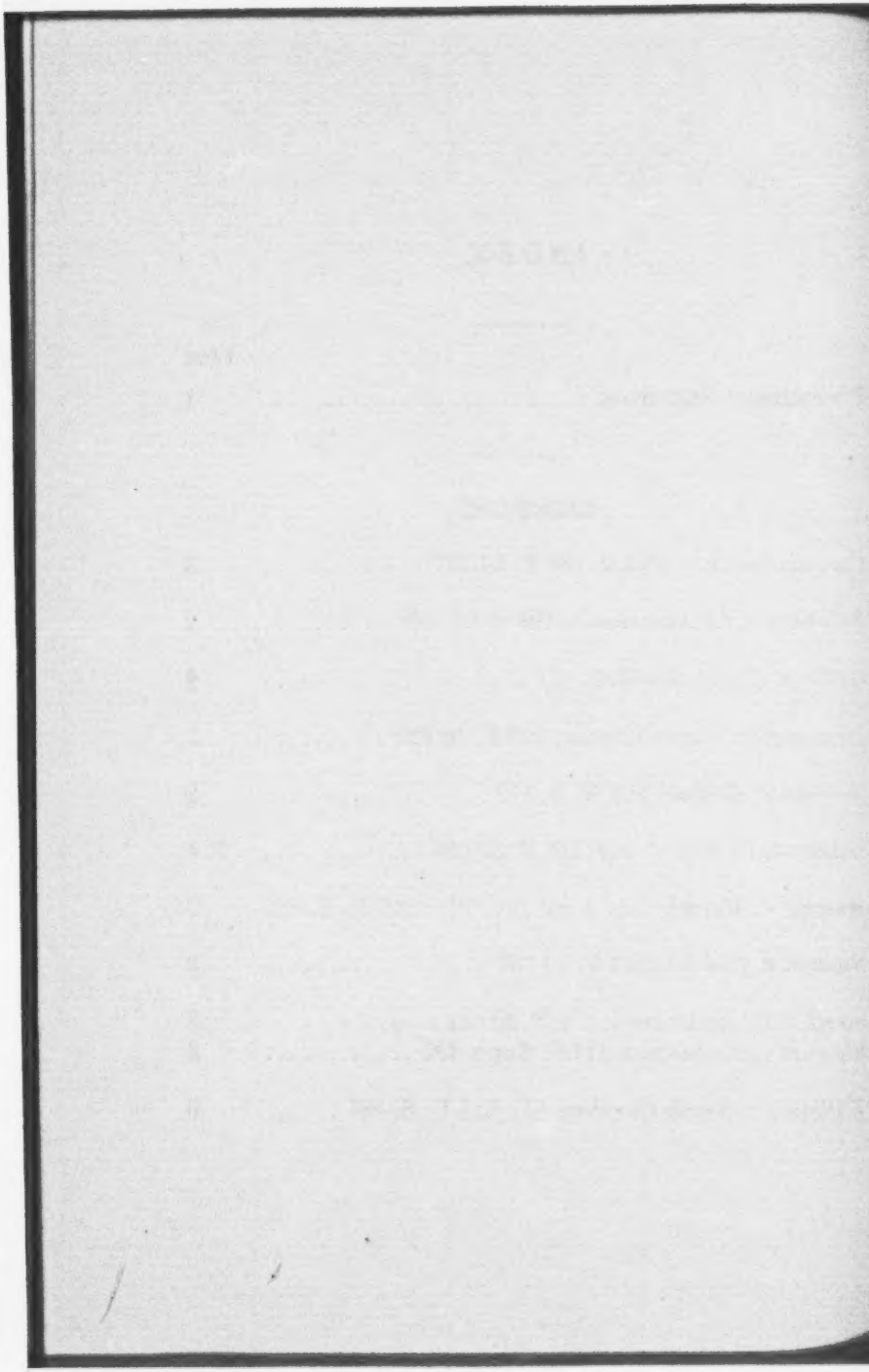
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PETITIONER'S REPLY BRIEF IN SUPPORT OF PETITION

Preliminary Statement

The formal matters which generally precede legal argument in a brief have, in obedience to Rule 23, already been stated in the petition. There, too, is stated the substance of our contention for the requested writ. Hence, we proceed directly to a concise response to respondent's brief.

I

Respondent apparently does not question our assertion that this court has thus far not reviewed any case arising under the statute which involved the interpretation of what was comprehended by the provision thereof rendering a

wife taxable for payments received "under a written instrument incident" to a decree of divorce or separation. Respondent suggests, however, that the meaning of the statute has been so satisfactorily stabilized by uniform construction by the various circuits as to render further review inappropriate.

The cases thus pointed to by respondent (Respt's br., pp. 6, 7) do not sustain its thesis. All of them involved agreements antedating the statute, and therefore drawn at a time when it was a matter of complete unconcern to either husband or wife whether that agreement was linked with a divorce subsequently obtained, since in any event payments, whether pursuant to agreement or decree, were not taxable to the wife and not deductible by the husband (cf. *Gould* v. *Gould*, 245 U. S. 151; *Kraunz* v. *Kraunz*, 293 N. Y. 152; *Metcalf* v. *Metcalf*, 274 App. Div. 774; 302 N. Y. 822).

Moreover, in all but one of them, the decree was obtained on the petition or cross-petition of the wife herself.

And, finally, in all of them, the conclusion was irresistible that the agreement was a mere contractual preliminary to an agreed divorce immediately in the offing.

Thus, the record in *Feinberg* v. *Commissioner*, 198 F. 2d 260 (C. A. 3d) shows that, at the time the agreement was there entered into, the husband was, with the full knowledge of the wife, already laying the "domiciliary" groundwork for a Florida decree; that *one month* before the agreement was entered into, the wife had journeyed to Florida to plead with her rival against the disruption of the marriage; that the agreement was entered into with clear knowledge on the part of the wife that the husband's openly planned divorce would inevitably follow, and contained a provision *obligating* the incorporation of the agreement in such decree; and that a scant *five weeks after the making of the agreement*, the husband, having "resided" in Florida exactly three months, instituted the suit for divorce (see Petitioner's Brief in that case, pp. 12-13).

Similarly, the facts in *Commissioner* v. *Miller*, 199 F. 2d 597 (C. A. 9th), bear no real resemblance to those here. The point of immediate differentiation is found in the following excerpt from the opinion of Judge Healy (pp. 599-560):

> "Here, as early as April 1937 the taxpayer had decided to obtain a divorce from her estranged husband *and her intention had at that time been communicated to the husband.* The instrument in question was not formally drawn up until *a month later* and was not actually executed by the parties themselves until June 15, 1937. *Eight days later the taxpayer began the divorce action . . .*" (Emphasis supplied).

Again, in *Smith* v. *Commissioner*, 192 F. 2d 841 (C. A. 1st), there was clear circumstantial evidence from which the inference was plain that the agreement dated October 14, 1937 was incident to the decree of divorce obtained by the wife on April 18, 1938, which divorce was thereafter followed by a modified agreement inevitably stamped with the same significance as the original agreement.

In *Lerner v. Commissioner*, 195 F. 2d 296 (C. A. 2d) where the wife herself obtained a divorce shortly after the making of the agreement, the agreement "was in fact exploited by the (divorce) court in establishing the final legal and economic relationship between the parties" (p. 299). That, as noted by the Tax Court in the case at hand, was not the situation here (Petition, pp. 24-25).

In *Stewart* v. *Rothensies*, 114 F. Supp. 497 (E. D. Pa.), the agreement was entered into in London on September 11, 1927, ratified by the wife when she reached her 21st birthday on September 17, 1927, and preceded by less than two months the institution by the wife of a divorce action in Paris. That that agreement and divorce were part of a carefully prepared "package" seemed hardly open to dispute.

It remains only to comment on the last case cited by respondent, *Newton* v. *Pedrick*, 212 F. 2d 357 (C. A. 2d).

There, as Judge Harlan noted, the fundamental support agreement "was *concededly* 'incident to (the) divorce'" (p. 358; emphasis supplied).

We submit, then, that far from presenting any rational basis for rejecting the petition in the instant case, the pattern of the foregoing cases demonstrates that the question here is one of genuinely first impression and squarely arises upon a record qualitatively different from those in the cases relied upon by respondent.

II

In the *Lerner* case, *supra*, the Second Circuit formulated a test under the statute, which it deemed decisive of that case and which it subsequently deemed "equally pertinent here", as follows: "The term 'written instrument incident to a divorce' was designed, we think, only to insure adequate proof of the existence of the obligation when divorce has occurred . . .'" (*Lerner* v. *Commissioner*, 195 F. 2d 296, 298).

The difficulty with this intuition as to the Congressional design is that it ignores the language of the statute, which says nothing of the sort. Congress need not have gone to such pains to formulate the statute in terms of a "written instrument incident to a divorce" if all that was sought to express was the existence of two factors, i.e., an agreement plus a subsequent decree, as the sole ingredients of the wife's liability for taxes under a separation agreement. Rather, the phrase "incident to" a divorce must be deemed to have had reference to a designed interrelation—expressed or circumstantially inferred—between the agreement and the subsequent decree.

Indeed, in one of the first of the cases which came before the Second Circuit, Judge Clark, speaking for a unanimous bench, significantly declared that

> "Whether the . . . agreement was 'incident to' the later divorce is a question of many facets, among

which clearly is *the contemporary understanding of the very parties to it*" (*Izrastzoff* v. *Commissioner*, 193 F. 2d 625, at p. 627; emphasis supplied).

That approach—eminently sensible and satisfactory in its accommodation of the contractual setting in each *particular* case—has, as noted, now been abandoned in favor of the extreme, and unwarranted, oversimplification evolved in the *Lerner* case and impressed as a stencil on the instant case.

We submit that the ruling of the Court of Appeals in the instant case—adhering as it does to the faulty doctrine of the *Lerner* case—becomes all the more indefensible when reference is made to the finding of the Tax Court, concurred in by the Court of Appeals and based upon uncontradicted evidence, that the separation agreement was entered into upon the explicit premise and agreement that there was to be no divorce (Petition, p. 6).

Hence, unless explicit refusal and implied consent are one and the same thing, is it not an affront to good common sense to argue that Albert Moses' unilateral disregard of petitioner's expressed opposition to divorce and his deliberate unilateral repudiation of the premise of "no divorce" which had induced petitioner's entry into the agreement, were somehow effective to endow the separation agreement with the character of an agreement "incident to" a divorce?

III

In its brief respondent suggests that however violently petitioner may have been opposed to the notion of divorce, she nevertheless placed herself within the operative area of the statute by signing an agreement which contained a provision (Section 21) that the agreement should survive any decree of divorce (Respt's br., p. 7).

Here again, arid legal argument comes into violent collision with undisputed realities. The attorney who drafted

the agreement for petitioner testified that he incorporated Section 21 in it "to preserve the inviolability of the agreement against any possible future contingency, however unforeseeable, of a decree" (p. 20, as renumbered, of the "Respondent's Appendix" in the Court of Appeals), but that he drew the agreement on the explicit understanding that there was to be no divorce (id., pp. 14-20, as renumbered). Obviously, even with the clearly expressed concurrence of petitioner and her husband that there was to be no divorce—a fact which both of the courts below have accepted squarely and without hint of doubt or reservation—it was imperatively necessary as a matter of careful legal *draftsmanship* to incorporate this most standard of all provisions of a separation agreement. For, forewarned by *Williams* v. *North Carolina (I)*, 317 U. S. 287, that a divorce was possible by unilateral action, the omission of such a provision would have created the continuing peril of the cutting off of support in the event of such a divorce. Hence, ordinary caution demanded that the provision (Section 21) be included.

In these circumstances, is it not indefensible to conclude that the inclusion of this simple, formal, commonplace provision in the agreement must be held to have resulted, *as matter of law*, in the taxability of the wife on her post-decree income from the husband?

IV

The Court of Appeals was of the view that, conceding that petitioner's husband had broken his solemn word not to attempt to get a divorce, petitioner ought not to be heard to complain of the post-decree tax on her support income "since she did not appear in the divorce action and make any attempt to have (the agreed support payments) increased . . ." (Petition, p. 29).

But to what end should petitioner have embarked on such a career of litigation? It would inevitably have re-

sulted in prolonged anguish and the dissipation of her meager financial resources. Any such requirement would be fraught with the possibility of the cruelest consequences to the non-assenting wife of one who had fled his domicile to secure a swift and painless divorce in a distant state. Under such a rule, the wife could be run ragged and worn to a frazzle in a desperate effort to maintain a supposedly necessary continuity of opposition to a divorce, or to secure by foreign decree what was already her due by solemn domestic agreement. There is, we submit, no such rule and no such requirement in our law.

V

Respondent's brief concludes with the suggestion (pp. 8-9) that, in view of the 1954 legislation on the subject, no case such as this can possibly arise under the new statute. Respondent is, however, silent as to the suggestion made in our petition (p. 9) that there is "a large mass of cases still to be processed under the (present) statute" and, consequently, that there exists a continuing necessity for the interpretation and clarification of the *present* statute.

CONCLUSION

The petition should be granted.

Respectfully submitted,

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